

UPPER SAN PEDRO WATER DISTRICT

Summary of Proposed Legislation

March 6, 2007

Purpose: To preserve Fort Huachuca and the economy of Cochise County by meeting the water management goals of the 2004 National Defense Authorization Act.

Summary

A special taxing district is proposed for the purposes of building water projects and implementing programs for water conservation, reuse, recharge and augmentation in the Sierra Vista area of Upper San Pedro groundwater subbasin. The area is in groundwater overdraft and if the continued withdrawal of water from the area impacts the San Pedro River, the federal government may reduce or cease the mission and personnel of Fort Huachuca. The proposed District would be responsible for achieving a balance between water supply use and needs in the area to protect the fort and its vital economic activities in Arizona.

Bill Provisions

The proposed bill provides for the following:

- A finding by the legislature that Fort Huachuca and the economies of Cochise County and the State are threatened by the overdraft in the Upper San Pedro Groundwater subbasin.
- Creation of the Upper San Pedro District to build water supply projects to achieve the water management goals required by the 2004 National Defense Authorization Act.
- Authorization of sufficient powers and duties and financial resources to the District to mitigate the groundwater overdraft by conserving, reusing, recharging and augmenting water supplies
- Authorization powers and duties:
 - An elected, seven member, board will govern the District.
 - The District may acquire, transport, deliver, treat or recharge water, including selling water to a water provider to meet the goal. The District may enter into any lawful agreement, including contracts and memorandums of understanding, to fulfill its duties. Examples would include MOUs with the Department of Defense or Natural Resources Conservation Districts.
 - The district may levy transaction privilege taxes on water providers and receive funds from other entities to accomplish the goals and purpose of the district. The transaction privilege tax is limited to \$.50 per thousand gallons or about \$4.00 per month for the average home. The district may also issue revenue bonds.
 - The district must prepare water plans every ten years to achieve measurable objectives to meet the water management goals.
- Limitations on powers
 - The District may *not* engage in the retail sale of potable water, require measuring devices on residential domestic or other wells, impose mandatory conservation requirements, regulate water use or acquisition or regulate lot splits.
- Impacts on other jurisdictions
 - The cities, towns, county and Department of Real Estate may not approve subdivisions within the District without an adequate water supply for one hundred years. The determination of adequacy must be consistent with the goal.
 - ADWR must make the determination of adequacy, and consistency with the goal.
 - Groundwater may not be transported away from the District, unless it is already occurring.
- Reports
 - An annual financial report must be prepared and submitted to the Arizona auditor general
 - An annual operations and project report must be prepared and submitted to the President of the Senate and the Speaker of the House.

Upper San Pedro Groundwater Basin Showing the Upper San Pedro Water District

